

**Commonwealth of Massachusetts
Board of Building Regulations & Standards**

HOME IMPROVEMENT CONTRACTORS

*Now that you're registered, watch
out for these items!!!!*

Law applies only to: pre-existing owner-occupied buildings containing one to four residential units and accessory buildings such as a garage, pool-house, gazebo, etc.

Change in status: Report in writing, within thirty days, changes in trade name or address or additions of business name(s), and any other pertinent changes in circumstances to the Director. If you change your business name, you must register again in the new name!

Display of registration number: Display your registration number on every contract, building permit and advertisement for residential contracting.

Return of certificate: Upon the expiration, termination or voluntary surrender of a registration, return your certificate of registration to the director, and do not engage in residential contracting as a contractor or subcontractor.

Lost/destroyed certificate of registration: Call if you lost your certificate or it has been destroyed.

Contracts with owners over \$1,000 must be in writing.

Registration must be renewed every two years: There is no walk-in service for this program! All applications are handled via US Mail. We will send renewal application before it is due, but you are still responsible for not operating with an expired certificate of registration.

**Home Improvement Contractor
Registration Program
1 Ashburton Place, Room 1301
Boston, MA 02108
(617) 727-3200**

WHAT MUST BE IN A CONTRACT?

- (1) the complete agreement between you and the owner and a clear description of any other documents which are a part of the agreement
- (2) the full names, federal ID number, if applicable, addressed (not post office box addresses) of the parties, your registration number, the name(s) of the salesperson(s) involved, if any, and the date the contract was executed by the parties;
- (3) the date on which the work is scheduled to begin and the date the work is scheduled to be substantially completed;
- (4) a detailed description of the work to be done and the materials to be used;
- (5) the total amount agreed to be paid for the work to be performed under the contract;
- (6) a time schedule of payments to be made under the contract and the amount of each payment stated in dollars, including all finance charges if any. Any deposit required to be paid in advance of the start of work shall not exceed the greater of one-third of the total contract price or the actual cost of any material or equipment of a special order or custom made nature, which must be ordered in advance of the start of the work, in order to assure that the project will proceed on schedule. No final payment shall be demanded until the contract is completed to the satisfaction of the parties.
- (7) all parties must sign the contract;
- (8) there shall be a clear and conspicuous notice stating:
 - a. that all home improvement contractors and subcontractors shall be registered and that any inquires about a contractor or subcontractor relating to a registration should be directed to:
Director, Home Improvement Contractor Registration Program,
P.O. Box 871, Taunton, MA 02780-0871
Phone: (508)-821-9375.
 - b. your registration number must be on the first page of the contract;
 - c. the owner's three-day cancellation rights under MGL c. 93, §48; MGL

- c. 140D, §10 or MGL c. 255D §14,
as may be applicable.
- d. all warranties and the owner's rights
under the provisions of 780 CMR
R6 and MGL c. 142A;
- e. in ten point bold type or larger, directly above the space provided for the signature, the following statement:
**DO NOT SIGN THIS CONTRACT IF
THERE ARE ANY BLANK SPACES**
- f. whether any lien or security interest is
on the residence as a consequence of
the contract;
- (9) an enumeration of such other matters upon which the owner and you may lawfully agree;
- (10) any other provisions otherwise required by the applicable laws of the Commonwealth.
- (11) Permit notice: Every contract shall contain a clause informing the owner of the following:
 - a. any and all necessary construction-related permits;
 - b. that it shall be the obligation of the contractor to obtain such permits as the owner's agent;
 - c. that owners who secure their own construction-related permits or deal with unregistered contractors shall be excluded from access to the Guaranty Fund;
- (12) Acceleration of payment; No contract shall contain an acceleration clause under which any part or all of the balance not yet due may be declared due and payable because the holder deems himself to be insecure.
However, where the contractor deems himself to be insecure he may require as a prerequisite to continuing said work that the balance of funds due under the contract, which are in the possession of the owner, shall be placed in a joint escrow account requiring the signatures of the home improvement contractor and owner for withdrawal.
- (13) No work shall begin prior to the signing of the contract and transmittal to the owner of a copy of such contract.
- (14) **Arbitration: If you as a contractor determine that in the event of a dispute, you wish the dispute to be settled by arbitration, you must signify this fact in the contract, and both you and owner must sign this clause separately. The following language and format is acceptable in 10 pt. type;**

The contractor and the homeowner hereby mutually agree in advance that in the event the contractor has a dispute concerning this contract, the contractor may submit such dispute to a private arbitration service which has been approved by the Office of Consumer Affairs and Business Regulations and the consumer shall be required to submit to such arbitration as provided in MGL c. 142A.

Owner

Contractor

NOTICE: The signatures of the parties above apply only to the agreement of the parties to alternate dispute resolution initiated by the contractor. The owner may initiate alternative dispute resolution even where this section is not signed separately by the parties.

WHAT ACTIONS VIOLATE THE LAW??

The following acts are prohibited by registrants and those required to register:

- (1) operating without a certificate of registration;
- (2) abandoning or failing to perform, without justification, any contract or project, or deviating from or disregarding plans or specifications in any material way without the consent of the owner, except for changes required by building regulations;
- (3) failing to credit the owner any payment they have made to the contractor or his salesperson;
- (4) making any material misrepresentation in the procurement of a contract or making any false promise of a character likely to influence, persuade or induce the procurement of contract;
- (5) acting directly, regardless of the receipt or expectation of receipt of compensation or gain from the mortgage lender, in connection with a residential contracting transaction by preparing, offering or negotiating or attempting to or agreeing to prepare, arrange, offer or negotiate a mortgage loan on behalf of a mortgage lender;
- (6) acting as a mortgage broker or agent for any mortgage lender;

- (7) publishing, directly or indirectly, any advertisement relating to residential contracting which does not contain the registrant's certificate of registration number or which does contain an assertion, representation or statement of fact which is false, deceptive, or misleading;
- (8) advertising in any manner that a contractor is registered under this chapter unless the advertisement includes an accurate reference to the registrant's certificate of registration;
- (9) violating any of the building laws of the Commonwealth or of communities;
- (10) misrepresenting a material fact in obtaining a certificate of registration;
- (11) failing to notify the Director of any change of trade name or address;
- (12) conducting a residential contracting business in any name other than the one in which you are registered;
- (13) failing to pay for materials or services rendered in connection with your operating as a home improvement contractor or subcontractor where you have received sufficient funds as payment for the particular construction work, project or operating for which the services or materials were rendered or purchased;
- (14) failing to comply with any order, demand or requirement lawfully made by the Director or Fund Administrator;
- (15) demanding or receiving payment in violation of the law and regulations as noted above;
- (16) violating any other provision of the law or regulations;
- (17) failing to pay to the guaranty fund in full, including interest, any amount paid from said fund because of the conduct of the registrant;
- (18) failing, within 21 days, to comply with, or advise the owner of intent to comply with, or appeal the decision of, an arbitrator.
- (19) failing to display the registration number on every contract, building permit, and advertisement.

For Complete Details see:

Chapter 142A Mass. General Laws

780 CMR R6: Home Improvement Contractor Registration and Enforcement Regulations

201 CMR 14.00: Home Improvement Contractor Arbitration and Guaranty Fund

**All are available from the
State House Bookstore, Room 116,
State House, Boston, MA 02133. (617) 727-2834.**